

Program 050

**DSHS - Long Term Care****Recommendation Summary**

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
<b>2013-15 Expenditure Authority</b>	1,478.0	1,774,182	2,045,945	3,820,127
<b>Total Maintenance Level</b>	1,573.2	1,851,505	2,347,934	4,199,439
Difference	95.2	77,323	301,989	379,312
Percent Change from Current Biennium	6.4%	4.4%	14.8%	9.9%
<b>Performance Changes</b>				
ProviderOne Phase 2	20.5	2,235	2,235	4,470
ProviderOne Subsystem Delay		(2,796)	3,070	274
Area Agencies on Aging		5,228	5,226	10,454
Nursing Home Investigations *	15.4		8,210	8,210
Specialized Equipment Distribution			400	400
Client Participation		1,980	1,980	3,960
Nursing Home Rates		(5,105)	21,363	16,258
Individual Provider Overtime #	9.1	1,217	1,534	2,751
Adult Family Homes Award/Agreement		16,429	16,435	32,864
In-Home Care Providers Agreement	9.2	60,644	76,387	137,031
Agency Provider Parity		23,526	29,742	53,268
Agency Provider Overtime Parity		456	574	1,030
One-Time Relocation		183	169	352
Ongoing Lease Adjustments		269	248	517
SEIU Healthcare 1199 NW Agreement		908	947	1,855
Increase Adult Family Home License Fee *		(1,358)	4,625	3,267
Pre-Medicaid Services	3.0	19,174		19,174
Adult Protective Services	9.0	1,552	274	1,826
Assisted Living Rate Increase		3,612	4,598	8,210
Restore Agency Provider Rate Cut		1,392	1,773	3,165
Long-Term Supports Insurance Study		100	300	400
State Public Employee Benefits Rate		202	169	371
WFSE General Government Master Agreement		3,370	3,128	6,498
Nonrepresented Job Class Specific Increases		10	4	14
General Wage Increase for State Employees		1,165	993	2,158
<b>Subtotal</b>	66.2	134,393	184,384	318,777
<b>Total Proposed Budget</b>	1,639.4	1,985,898	2,532,318	4,518,216
Difference	161.4	211,716	486,373	698,089
Percent Change from Current Biennium	10.9%	11.9%	23.8%	18.3%
<b>Total Proposed Budget by Activity</b>				
Office of Deaf and Hard of Hearing	8.9	6,152	400	6,552
Adult Day Health Community Services		9,957	10,092	20,049
Adult Family Home Community Services		138,813	129,625	268,438

## HUMAN SERVICES - DSHS

	Annual FTEs	General Fund State	Other Funds	Total Funds
Program Support for Long Term Care	181.1	85,114	111,922	197,036
Eligibility/Case Management Services	998.9	183,335	172,942	356,277
In-Home Services	23.1	842,677	1,123,399	1,966,076
Investigations/Quality Assurance for Vulnerable Adults	418.3	16,869	73,733	90,602
Residential Community Services	.1	100,958	106,300	207,258
Nursing Home Services		525,093	711,382	1,236,475
Managed Care Services	9.2	76,930	92,523	169,453
<b>Total Proposed Budget</b>	<b>1,639.4</b>	<b>1,985,898</b>	<b>2,532,318</b>	<b>4,518,216</b>

## PERFORMANCE LEVEL CHANGE DESCRIPTIONS

### ProviderOne Phase 2

Funding is provided to ensure timely implementation of the ProviderOne Phase 2 project. This implementation will increase payment integrity and timeliness affecting about 70,000 Medicaid providers that serve clients of the Aging and Long-Term Support Administration and Developmental Disabilities Administration. New staff will assist providers with submitting their claims for payment to facilitate timely payments and resolve information technology system and accounting issues. (General Fund-State, General Fund-Federal)

### ProviderOne Subsystem Delay

Funding is reduced due to a six-month delay in the go-live date for the provider compensation subsystem. (General Fund-State, General Fund-Federal)

### Area Agencies on Aging

Funding is provided to lower the caseload for the Area Agencies on Aging (AAA). AAAs provide ongoing case management services for clients receiving personal care and help them find providers for health insurance, transportation, and medical providers. (General Fund-State, General Fund-Federal)

### Nursing Home Investigations \*

The nursing home license fee will be increased to fund additional staffing for nursing facility provider practice investigations. The Nursing Facility Unit conducts investigations into complaints that a provider is not providing appropriate care or following state or federal regulations. The unit has not been meeting the federal deadlines for prompt responses to complaints. This item will be funded by increasing the nursing home annual renewal license fee from the current \$359 per bed to \$575 per bed in fiscal year 2016 and \$578 per bed in fiscal year 2017. (General Fund-State, General Fund-Federal)

### Specialized Equipment Distribution

Funding is provided for the distribution of specialized customer premises equipment (CPE) to low-income individuals who are hearing and sight impaired. These individuals need specialized CPE to effectively access telecommunications service, Internet access service, and advanced communications. (General Fund-Federal)

### Client Participation

Funding is provided to repay and offset a loss of client participation from clients exempt from contributing to the cost of their care due to Supplemental Security Income-related special income disregards. (General Fund-State, General Fund-Federal)

**Nursing Home Rates**

Nursing home daily rates have been rebased, increasing the average daily rate from \$199.45 in fiscal year 2015 to \$203.12 in fiscal year 2016 and \$205.59 in fiscal year 2017. Updated rates reflect expiring add-ons and a \$5.75 rate enhancement for direct care wage and benefit enhancements. (General Fund-State, General Fund-Federal)

**Individual Provider Overtime #**

Under proposed legislation the monthly cap of authorized overtime hours for an individual provider (IP) would not exceed three hours per month. Authorized overtime would apply to approximately 7,200 IPs who provide care for approximately 10,300 clients. (General Fund-State, General Fund-Federal)

**Adult Family Homes Award/Agreement**

Funding is provided for increases in the daily rate and the expanded community service daily rate, and a five-year meaningful home-based activities pilot program. (General Fund-State, General Fund-Federal)

**In-Home Care Providers Agreement**

Funding is provided for an agreement with individual providers of in-home personal care services, which includes phased-in changes and increases to the wage scale; increases in health care contributions; increases in the training contribution; an increase in personal time; and a retirement benefit contribution. (General Fund-State, General Fund-Federal)

**Agency Provider Parity**

Funding is provided for a wage and benefit increase to workers who provide in-home personal care services and are employed by private agencies. The increase corresponds to the salary and wage component of the in-home care worker contract for individual providers. (General Fund-State, General Fund-Federal)

**Agency Provider Overtime Parity**

RCW 74.39A.310 requires that home care agency providers shall receive wage and benefit parity with individual home care providers. As a result, additional funding is provided for new or increased: wages; pay differentials; mileage reimbursements; comprehensive health benefits; training contributions; initial certification and testing fee subsidies; union presentations and paid holidays. These provisions are pursuant to the interest arbitration award between the Service Employees International Union Healthcare 775NW and the State of Washington. (General Fund State, General Fund Federal)

**One-Time Relocation**

One-time funding is provided for relocation expenses of office expansions and consolidations statewide. (General Fund-State, General Fund-Federal)

**Ongoing Lease Adjustments**

Funding is provided for contractual lease rate adjustments and one-time tenant improvements. (General Fund-State, General Fund-Federal)

**SEIU Healthcare 1199 NW Agreement**

Funding is provided for a collective bargaining agreement with Service Employees International Union (SEIU) Healthcare 1199NW, which includes a general wage increase of 3 percent, effective July 1, 2015; a general wage increase of 1.8 percent, effective July 1, 2016; assignment pay in designated areas; increased funds for training reimbursement; and employee insurance. (General Fund-State, various other accounts)

## **HUMAN SERVICES - DSHS**

### **Increase Adult Family Home License Fee \***

This item increases the annual license fee per bed for adult family homes from \$225 to \$325 in fiscal years 2016 and 2017. This fee will provide enough revenue to cover the full cost of residential care services oversight. (General Fund-State, General Fund-Federal)

### **Pre-Medicaid Services**

Funding is provided to expand services and supports that keep individuals in home and community settings and delay or divert them from entering the more expensive Medicaid long-term care system. This further positions the state to address the needs of an aging population and better manage the financial pressures associated with increasing demands for individuals who need community-based supports due to age, disability or dementia. (General Fund-State, General Fund-Federal)

### **Adult Protective Services**

Funding is provided for additional staff for Adult Protective Services to ensure that in-home investigations for vulnerable adults in our communities are completed within 90 days. The complexity and time spent investigating each case has increased. Financial exploitation cases now represent nearly one-third of all investigations and self-neglect cases account for a quarter of all investigations. (General Fund-State, General Fund-Federal)

### **Assisted Living Rate Increase**

Funding is provided for assisted living facilities, including adult residential care and enhanced adult residential care, to receive a 2.5 percent rate increase. This setting is a crucial component of the Medicaid service array that allows people in need of a residential placement to be served in the community rather than a nursing home. (General Fund-State, General Fund-Federal)

### **Restore Agency Provider Rate Cut**

Funding is provided to restore the \$0.13 administrative rate reduction for home care agencies that was enacted in 2010. This restoration will allow home care agencies to maintain a sufficient workforce to meet growing caseload demands in the face of the rising demographic age wave population increase. (General Fund-State, General Fund-Federal)

### **Long-Term Supports Insurance Study**

Funding is provided for an actuarial insurance industry study of options to finance long-term care insurance for Washington state citizens, including both public and public-private financing. (General Fund-State, General Fund-Federal, General Fund-Private/Local)

### **State Public Employee Benefits Rate**

Health insurance funding is provided for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. Insurance for employees covered by the health insurance coalition is included in funding for their respective collective bargaining agreements. The insurance funding rate is \$913 per employee per month for Fiscal Year 2016 and \$947 per employee per month for Fiscal Year 2017. (General Fund-State, various other accounts)

### **WFSE General Government Master Agreement**

Funding is provided for a collective bargaining agreement with Washington Federation of State Employees (WFSE), which includes a general wage increase of 3 percent, effective July 1, 2015; a general wage increase of 1.8 percent for all employees who earn \$2,500 a month or more, effective July 1, 2016; a general wage increase of 1 percent plus a \$20 per month increase for all employees who earn less than \$2,500 per month, effective July 1, 2016; salary adjustments for targeted classifications; hazard pay for designated night crews; assignment pay in designated areas; and employee insurance. (General Fund-State, various other accounts)

**Nonrepresented Job Class Specific Increases**

Funding is provided for classified state employees who are not represented by a union for pay increases in specific job classes in alignment with other employees. (General Fund-State, various other accounts)

**General Wage Increase for State Employees**

Funding is provided for wage increases for state employees who are not represented by a union or who are covered by a bargaining agreement that is not subject to financial feasibility determination. It is sufficient for a general wage increase of 3 percent, effective July 1, 2015; a general wage increase of 1.8 percent for employees who earn \$2,500 a month or more, effective July 1, 2016; and a general wage increase of 1 percent plus a \$20 per month increase for employees who earn less than \$2,500 per month, effective July 1, 2016. This item includes both higher education and general government workers. (General Fund-State, various other accounts)

**ACTIVITY DESCRIPTIONS****Office of Deaf and Hard of Hearing**

The Office of the Deaf and Hard of Hearing contracts with Regional Service Centers of the Deaf and Hard of Hearing to provide client services to the Deaf, Hard of Hearing, and Deaf-Blind individuals and their families. Client services include case management, education, training, outreach, information, and referral. A similar contract with Deaf-Blind Service Center provides an additional service; support services provider (SSP) for the Deaf-Blind to live independently.

**Adult Day Health Community Services**

Adult Day Health Community Services (ADH) is a supervised daytime program providing nursing and rehabilitative therapy services to adults with medical or disabling conditions. Services are provided in centers and clients typically attend an average of 2 to 3 days per week. Clients attending ADH also receive other services such as home care or residential services. Clients must be functionally and financially eligible for Medicaid, be enrolled on the Community Options Program Entry System (COPES) waiver, and have a skilled nursing or rehabilitation need, as determined by a doctor. Case managers review eligibility and ongoing need for services. ADH services are provided under contract, and centers are monitored by the Area Agencies on Aging (AAAs).

**Adult Family Home Community Services**

Adult Family Homes (AFHs) are contracted, private homes that serve between two and six residents. Clients receive room, board, laundry, necessary supervision, and assistance with activities of daily living, personal care, and social services. Some AFHs specialize in serving individuals with dementia, developmental disabilities, or mental illnesses. AFHs whose provider is a professional nurse will frequently provide limited nursing care for individuals with more complex nursing and medical needs. Clients residing in adult family homes meet the financial and functional eligibility criteria for either the Medicaid Personal Care (MPC) program or the Community Options Program Entry System (COPES) Medicaid waiver, or are vulnerable adults under Chapter 74.34 RCW, receiving state-funded adult protective services.

**Program Support for Long Term Care**

Program Support for Aging and Long Term Care Support Administration (ALTSA) includes program support for ALTSA and management services support for both ALTSA and Developmental Disabilities. ALTSA program support staff ensure compliance with federal regulations, and develop specific services and agency policy for both Area Agencies on Aging (AAAs) and ALTSA field staff. Management services perform accounting and budget, contract management, forecasting caseloads and expenditures, data analysis, performance management, and information technology support for both ALTSA and Developmental Disabilities.

## **HUMAN SERVICES - DSHS**

### **Eligibility/Case Management Services**

Eligibility/Case Management Services includes determining eligibility to receive Aging and Long Term Support Administration (ALTSA) services, information and referral, and case management services for clients, either via state staff or via contractor (Area Agencies on Aging for ongoing in-home clients only). Financial eligibility staff determine if clients qualify for ALTSA Medicaid or other services. Case management consists of assessing and reassessing functional eligibility (level of disability), updating and monitoring a plan of care, finding a placement or provider, coordinating non-department services in response to a client's need, responding to emergencies and status changes, and providing any additional assistance a client may need to maintain their placement or in some cases move to a new setting.

### **In-Home Services**

Clients receiving in-home services have a range of acuity, and continue to live at home while receiving assistance with activities of daily living such as personal hygiene, toileting, bathing, dressing, cooking, assistance with medication, and eating. Clients may receive assistance with shopping, laundry, housework, or transportation to medical appointments. Contracted providers include home care agency providers (APs) or individual providers (IPs). Additional In-Home Services may include home-delivered meals, nutrition programs, adult day care, environmental modifications, special medical equipment, and skilled nursing care. Clients receiving In-Home Services meet the financial and functional eligibility criteria for either the Medicaid Personal Care (MPC) program or the Community Options Program Entry System (COPES) Medicaid waiver.

### **Investigations/Quality Assurance for Vulnerable Adults**

Adult Protective Services (APS) investigates reports of suspected abuse, abandonment, neglect, self-neglect, and financial exploitation of vulnerable adults living in their own homes. For facilities, Residential Care Services verifies that the facility itself and its staff who come in contact with vulnerable adults are providing appropriate services and quality care. This includes periodic surveying, inspecting, and certification/licensing of nursing homes, adult family homes and assisted living facilities, and monitoring the quality of service, including investigating complaints of abuse and neglect or perpetrators, and related enforcement actions. Quality Assurance includes the review of case management work, and the examination of payment authorizations to ensure compliance with federal and state laws, such as correct client eligibility determination and payment. Oversight and monitoring of home care agencies and certification of Supported Living providers are done under contract, otherwise services are state-staffed.

### **Residential Community Services**

Assisted Living Facilities (ALF) are contracted facilities that may serve seven or more residents. Clients receive room and board, personal care, and assistance with medication. Some residents may receive limited nursing services, limited supervision, and specialized dementia care. ALFs include Adult Residential Care (ARC), Enhanced Adult Residential Care (EARC), and Assisted Living (AL). Clients residing in ALFs meet the financial and functional eligibility criteria for either the Medicaid Personal Care (MPC) program or the Community Options Program Entry System (COPES) Medicaid waiver, depending on the type of ALF in which they reside, or are vulnerable adults under Chapter 74.34 RCW, receiving state-funded Adult Protective Services.

### **Nursing Home Services**

The Aging and Long Term Support Administration (ALTSA) contracts with licensed and certified Nursing Homes to serve Medicaid-eligible persons who need post-hospital recuperative care, require nursing services, or have chronic disabilities necessitating long-term medical services. Nursing Homes provide 24-hour supervised nursing care, personal care, therapy, and supervised nutrition. There is a small amount of funding for nurse-aide training, and cash assistance is provided for persons leaving Nursing Homes to help re-establish them in independent living or in lower-cost community settings.

### **Managed Care Services**

Aging and Disability Services Administration (ADSA) contracts with a vendor to provide managed care services that include medical care, Long-Term Care services, substance abuse treatment and mental health treatment under one service package and capitated payment per member per month. These programs help clients remain in the community for as long as possible by providing comprehensive health and social services to meet the unique needs of each client. Current contracts are for the Program of All-Inclusive Care for the Elderly (PACE) and the Washington Medicaid Integration Partnership (WMIP). The vendors assume all financial responsibility for medical expenses associated with meeting a client's needs for as long as the client remains enrolled in the program.